

ENVIRONMENTAL ASSESSMENT

**CIRCLE R RIVER RANCH ACQUISITION**



April 2008



***Montana Fish,  
Wildlife & Parks***

**REGION 5 HABITAT MONTANA PROPOSED LAND PROJECT**

## I. INTRODUCTION AND PROPOSED ACTION:

Montana Fish, Wildlife & Parks (FWP) proposes the purchase approximately 4,000 acres of important wildlife habitat along the Yellowstone River. The property is located on the north side of the Yellowstone River approximately 30 miles northeast of Billings and 2.5 miles west of Pompey's Pillar National Monument. The property is currently operated as a private ranch, consisting of 3,976 deeded acres, 621 Montana Department of Natural Resources State School Trust Lands (DNRC) leased acres, and 69 U.S. Bureau of Land Management (BLM) leased acres. The total acquisition, including leases, would be 4,666 acres. This acquisition would also provide public access by land to an additional 4,760 acres of adjacent contiguous public lands (4,120 acres BLM, 640 acres DNRC) that are currently accessible only by boat via the Yellowstone River. Important wildlife habitats that exist on these lands include riparian river bottom, sagebrush-grassland, and ponderosa pine savannah.

The property is listed for sale at \$6.25 million, and FWP is pursuing an appraisal as the basis for a purchase offer. The property would be purchased through a combination of funding sources, primarily FWP's Habitat Montana program and potentially including the Governor's Access Montana Initiative approved by the 2007 Legislature. FWP would purchase the property from the current landowner or from a non-profit partner such as the Conservation Fund, which has offered assistance with the project.

*At the time of the release of this Environmental Assessment, the transaction is under negotiation, and FWP and the landowner have not entered into a purchase agreement. However, FWP is proceeding with this document to provide for public input into the proposal. In the event that negotiations are successfully concluded and the results of this environmental review process support the acquisition, FWP would then be in a position to move forward on the transaction in a timely manner and would not risk losing this habitat conservation opportunity.*

The scope of this Environmental Assessment (EA) primarily covers the acquisition of the property. Future significant management/development activities will be addressed by subsequent EAs.

In proposing to acquire the Circle R River Ranch, FWP seeks to meet the following needs:

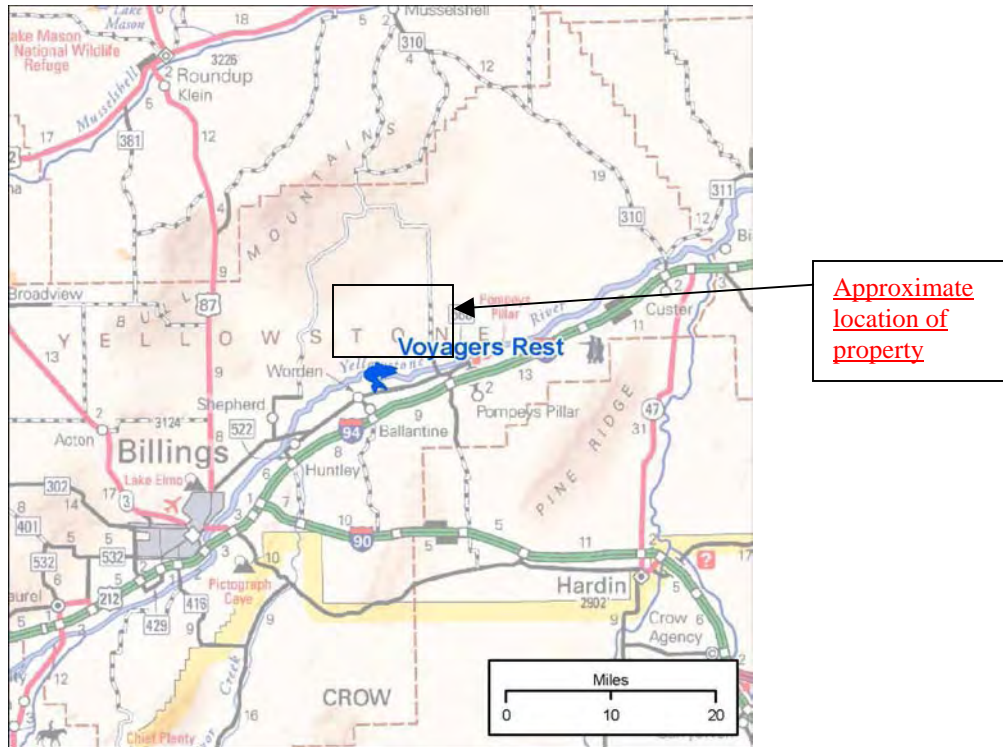
- To protect and enhance riparian habitats.
- To protect and enhance sagebrush grasslands.
- To protect and enhance ponderosa pine savannahs.
- To provide public recreational access by land to 9,426 acres of contiguous habitat, including this property and adjacent BLM and DNRC lands.
- To prevent subdivision of important wildlife habitat, including almost 5 miles of Yellowstone River shoreline.



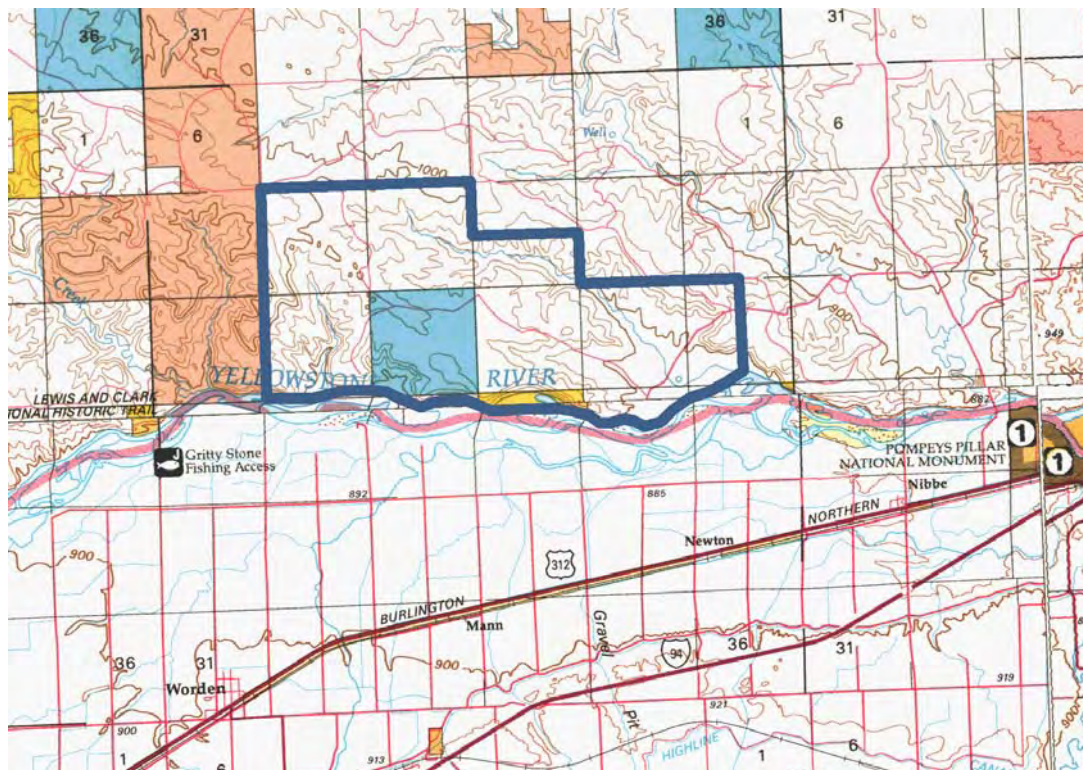
Riparian and wetland communities support the highest concentration of plants and animals in Montana. This importance is highlighted in the identification of riparian areas as a Community Type of Greatest Conservation Need in the Comprehensive Fish & Wildlife Management Strategy (CFWCS, FWP 2005), and as a priority in the 5-year Implementation Plan for the CFWCS. Protection and enhancement of riparian habitats is also the highest priority in FWP Region 5. This property contains approximately five linear miles of high-quality riparian habitat along the Yellowstone River.

There are several thousand acres of sagebrush-grassland habitat on the property. Sagebrush and Grassland Complexes are also Community Types of Greatest Conservation Need, and high priorities in the 5-year Implementation Plan (FWP 2005). Protection and enhancement of sagebrush-grassland habitat is a high priority for FWP Region 5. Almost 90% of the property can be identified as sagebrush, grassland or mixed-shrub grassland.

Currently, there is very little public access to this area. There are 4,760 acres of state and federal public lands adjacent to the property that are currently accessible only from the Yellowstone River by boat. This property will provide 4,666 acres of public land for recreational use, as well as provide land access to the adjoining 4,760 acres of state and federal land. This property is across the Yellowstone River from Voyager's Rest FAS and four miles upstream of the Bundy Bridge FAS. Although the property will provide float in opportunities and may provide an additional boat launch area, a new FAS is not expected to be part of the site development.



**Figure 1 a.** The location of the Circle R River Ranch



**Figure 1 b.** The location of the Circle R River Ranch

## II. PROPOSED LAND PROJECT

**Date:** April 17, 2008

**Property Name:** Circle R River Ranch

**Location:** FWP Administrative Region 5, Yellowstone County, Deer/Elk Hunting District 540, 30 miles northeast of Billings, Montana

**Landownership:** The property consists of 4,666 contiguous acres (3,976 deeded, 621 DNRC lease, and 69 acres BLM lease) on the north side of the Yellowstone River. It offers about 5 miles of Yellowstone River frontage along its southern border. The ranch is bordered on the west by 4,760 contiguous acres of currently inaccessible (except by boat via the Yellowstone River) public lands, including 640 acres of DNRC land and 3,200 acres of BLM land. The ranch is bordered on the north and east by other private lands. The property is accessible by county road on the east end. Pompey's Pillar National Monument is 2.5 miles east of the southeast corner of the property.

**Legal Description:** Deeded - T3N, R29E, Sec. 8 (640 acres), Sec. 9 (640 acres), Sec. 10 (320 acres in S1/2), Sec. 13 (274.87 acres in W1/2), Sec. 14 (640 acres), Sec. 15 (640 acres), Sec. 17 (600.67 acres), Sec. 21 (39.52 acres in N1/2N1/2), Sec. 23 (181.32 acres in N1/2); State School Trust – T3N, R29E, Sec. 16 (620.64 acres); BLM – T3N, R29E, Sec. 22 (68.62 acres in N1/2N1/2).

**Public Review Period:** Twenty-one days, from April 22, 2008 through May 12, 2008

**Public Hearing:** One public meeting will be held in Billings, time and location TBA.

**Contact Person:** FWP Region 5 Wildlife Manager Ray Mule', (406) 247-2960 or [rmule'@mt.gov](mailto:rmule'@mt.gov)

## III. EXISTING ENVIRONMENT

### 1. Habitat:

a) Identified Habitats: The three primary habitat types on this property are riparian river bottom, sagebrush grassland, and ponderosa pine savannah. There are no known Plant Species of Concern (SOC) on this property (Natural Heritage Program, 2008).

The riparian habitat is very high quality with extensive stands of cottonwoods, intermixed with willow, buffaloberry, and other shrubs. There are several islands bordering the property that are surrounded by old river channels and sloughs, creating ideal waterfowl roosting areas. There are also 90+ acres of irrigated fields in the river bottom that provide tremendous opportunity to enhance the wildlife value of the native habitats. Two center-pivot sprinklers using water pumped from the Yellowstone River irrigate these acres. All equipment associated with the sprinklers is included with the sale of the property. The property has the necessary water rights to adequately water these fields for the entire growing season.

The sagebrush-grassland habitat in the uplands is extensive and high quality. Low-intensity-managed grazing has resulted in range conditions that are fair to good. The primary native plant species are bluebunch wheatgrass, needle and thread grass, green needlegrass, and big sagebrush. One old field that was farmed in the past has reverted mostly to introduced crested wheatgrass. There are some areas that have been invaded by cheatgrass and leafy spurge.



Ponderosa pine savannahs are scattered throughout the uplands along the several rough canyons that occur on the property. Most of the ridge tops and canyon walls contain stands of ponderosa pine.



## 2. Land Criteria:

a) Resource Values: The tremendous habitat diversity within the ranch creates year-round habitat for many species and seasonal habitat for others. The lush riparian river bottom provides habitat for at least 200 white-tailed deer, abundant pheasants, and close to 100 wild turkeys. Wood ducks nest in the area, and the backwater sloughs provide roosting areas for ducks and geese.

Riparian and wetland communities support the highest concentration of plants and animals in Montana. The multi-layered plant canopy provided along the Yellowstone River corridor provides a variety of nesting, resting, and foraging areas for wildlife. In Montana, riparian habitats provide breeding and nesting areas for at least 134 (55%) of Montana's 245 species of breeding birds, as well as much-needed food and resting areas for migrating birds (J. Ellis, Montana Audubon, 2008). There are 17 Tier I Species of Greatest Conservation Need that rely on riparian and wetland habitat for breeding and/or survival (FWP 2005).



The uplands consist of “breaks” interspersed with open benchlands. Ponderosa pine savannahs are intermingled with sagebrush-grasslands. Several drainages create rugged canyons that are ideal escape terrain for mule deer. There are at least 100 mule deer on the property, along with 50 or so antelope, and occasionally a few elk. Sage grouse, sharp-tailed grouse, Hungarian partridge, turkeys, and ring-necked pheasants are found in the uplands.

There are over 300 terrestrial vertebrate species that are found within the grasslands community type. The CFWCS (FWP 2005) lists the following Tier I Species of Greatest Conservation Need that may be found in mixed shrub and grassland communities: northern leopard frog, western hog-nosed snake, milksnake, greater sage-grouse, mountain plover, long-billed curlew, burrowing owl, spotted bat, Townsend’s big-eared bat, pallid bat, black-tailed prairie dog, and meadow jumping mouse (FWP 2005).

Within the boundary of the proposed land acquisition, there is a large black-tailed prairie dog colony. Black-tailed prairie dogs have been identified as Tier 1 in the CFWCS (FWP 2005). Prairie dogs provide additional habitat for mountain plover and burrowing owl, and prey for ferruginous hawks. In fact, more than 30 vertebrate species are considered dependent on the prairie dog ecosystem for food or shelter. This important ecosystem role combined with declines in their habitat over the last century has prompted the heightened status of prairie dogs.

Rocky outcrops carved by the Yellowstone River provide unique finite habitat resources for many bats, birds, and reptiles, including Townsend’s big-eared bat, northern myotis, milk snake, greater short-horned lizard, and common sagebrush lizards.



Irrigated land in the river bottom totals about 90 acres. This acreage is irrigated with two new center-pivot sprinklers that utilize river water from a new intake pump, all of which are included with the property. The ability to manage these acres to maximize high quality food production and/or nesting cover is an important addition to the habitat diversity on this property.

b) Threat Status: Imminent threats exist. At least one similar property in the area has been privately purchased, subdivided and marketed as a “hunting community”, consisting of private ranchettes and a common hunting area exclusively for the owners. Many other properties have

been split into river view lots or scattered 20-acre parcels. The results of such development are habitat fragmentation through roads, fences, and intensive land management, along with the loss of public recreational opportunities.

c) Degree of Protection: This land includes, and is adjacent to, BLM and state land, where no designated public access currently exists, except by boat via the Yellowstone River. There is substantial conservation value in property of this size and biodiversity, and this will likely increase as neighboring properties are developed in the future.

d) Geographic Location: Other than adjacent BLM land, this property is not located near other lands managed for wildlife conservation. Acquisition of this property would benefit a BLM priority of providing access, while helping to meet FWP goals.

e) Conserve and Enhance Land, Water and Wildlife: Acquisition will protect this property from subdivision and other such development. Management of the property will enhance habitat for a variety of wildlife species.

f) Contribute to Hunting and Fishing Opportunity: This property will provide excellent public hunting for mule deer, white-tailed deer, antelope, possibly elk, sage grouse, sharp-tailed grouse, waterfowl, turkey, Hungarian partridge, pheasant, and rabbit, as well as shooting opportunities for prairie dogs and coyotes. Excellent fishing for catfish, sauger, smallmouth bass, and ling will be available in the adjacent Yellowstone River.

g) Provide Incentives for Habitat Conservation on Private Land: Purchase of this property may allow for establishment of a rest-rotation grazing system. It may be possible to trade some grazing rights on this property for grazing management and public access on adjacent private lands, thus increasing the total acreage being managed to for wildlife habitat and public recreational.

h) Contribute to Non-hunting Recreation: There will be tremendous opportunities for non-hunting recreation including sightseeing, photography, birding, and hiking. Other recreational activities will be considered along with appropriate facilities. Any additional significant developments beyond existing roads, parking areas, signage and basic sanitary facilities (such as pit latrines) will be considered in subsequent EAs.

g) Protect Open Space and Scenic Areas: The property will be protected from subdivision and other such development in perpetuity.

i) Maintain Local Tax Base: FWP annually pays county governments an in-lieu-of-tax payment equivalent to the property tax that would be assessed on a private landowner. This payment will ensure that Yellowstone County property-tax proceeds are not diminished by FWP ownership of the Circle R property.

- 3. Current Condition of Habitat:** Upland habitat is currently in fair to good condition. The current owner has implemented a limited grazing system that has improved the range considerably. The river bottom has been fenced out from the rest of the property, with little to no



grazing allowed, and is in good condition. The property has been cleaned of debris and old materials, and has passed a Phase I HAZMAT inspection. Two center-pivot sprinklers, a water intake pump, a solar-powered well, and several stock tanks are in excellent condition. Exterior fencing is in good condition, with interior fences in fair condition.

There are no buildings on the property and very little development, other than the center-pivot sprinklers, fences, and stock-water facilities.

- 4. Current and Potential Recreation Opportunities:** Current public recreation opportunities are essentially nonexistent. The property is managed for the exclusive use of the owners and their families. The potential for public recreation is tremendous. The proximity of this area to Billings, relatively good road access (a maintained county road to the property boundary), and a variety of habitats and terrain features make this an exceptional area for many types of outdoor experiences. Hunting, fishing, hiking, birding, and photography are just a few of the recreational opportunities that will be available to the public.

It is anticipated that the area will be managed for unlimited public use. As such, it is likely that there will be up to a thousand recreation days annually on this property. This use will be managed by regulating level and type of access, level and type of facilities provided and through implementing the standard FWP recreational use regulations (A.R.M 12.8.101 – 12.8.213), the FWP Commercial Use Rule (ARM 12.14.101- 12.14.170) and any special regulations developed for this property.



**5. Other Management Considerations:**

*Impacts and Associations:* There will be increased manpower needs associated with this project. Acquisition will bring the responsibility of management. FWP is in the process of hiring a habitat technician to work on public lands in Region 5 and a portion of Region 7.

FWP will make a payment in lieu of taxes to compensate the appropriate government entities for the removal of the property from the tax rolls.

There will be no game damage problems on this property if it is owned by a public agency. The irrigated lands in the river bottom will likely hold animals on the property and minimize potential problems with adjoining landowners. FWP will work with neighbors who qualify for game damage assistance with any potential wildlife game damage.

*Fisheries:* There will be five miles of Yellowstone River frontage on the south end of the property.

## 6. Relation to the Comprehensive Fish & Wildlife Conservation Strategy (CFWCS 2005):

This property lies within the Montana Sedimentary Plains Tier 1 Focus Area for terrestrial habitats and in the Upper Yellowstone River and Aquatic Tributaries Tier 1 Focus Area for aquatic habitats.

The table below lists the CFWCS Tier1 species that are predicted to occur in the area of the property:

Common Name	Scientific Name
Bald Eagle	<i>Haliaeetus leucocephalus</i>
Greater Sage-grouse	<i>Centrocercus urophasianus</i>
Mountain Plover	<i>Charadrius montanus</i>
Long-billed Curlew	<i>Numenius americanus</i>
Burrowing Owl	<i>Athene cunicularia</i>
Olive-sided Flycatcher	<i>Contopus cooperi</i>
Spotted Bat	<i>Euderma maculatum</i>
Townsend's Big-eared Bat	<i>Corynorhinus townsendii</i>
Pallid Bat	<i>Antrozous pallidus</i>
Black-tailed Prairie Dog	<i>Cynomys ludovicianus</i>
Meadow Jumping Mouse	<i>Zapus hudsonius</i>
Snapping Turtle	<i>Chelydra serpentine</i>
Spiny Softshell Turtle	<i>Apalone spinifera</i>
Western Hog-nosed Snake	<i>Heterodon nasicus</i>
Milksnake	<i>Lampropeltis triangulum</i>
Sauger	<i>Sander canadensis</i>



The table below lists the proportion of the property that fall within the various CFWCS Tier 1 Community Types:

<b>Name</b>	<b>% Area</b>
Riparian Wetland	< 1
Mixed Broadleaf	< 1
Sagebrush and Salt Flats	15
Mixed-shrub Grassland	30
Grassland	44
Non-Tier 1	9
Total	100

#### **IV. ALTERNATIVES:**

##### **1. Alternative A – Proposed Action:**

Montana Fish, Wildlife & Parks (FWP) proposes to acquire 4,666 acres (3,976 deeded, 621 DNRC lease, 69 BLM lease) of important wildlife habitat along the Yellowstone River as described in this EA. Through the Proposed Action, FWP would secure permanent public access to this land, as well as to an additional 4,760 acres of difficult-to-access, adjacent public lands (BLM and DNRC), and approximately 5 miles of Yellowstone River shoreline. This project would conserve animal and plant species biodiversity and important wildlife habitat that exists on these lands, including riparian, sagebrush-grasslands and ponderosa pine savannah.

##### **2. Alternative B – No Action:**

Under the No Action alternative, FWP would forgo the opportunity to purchase the Circle R River Ranch. There would continue to be no public access to the property for recreation, and land access to approximately 3,200 acres of adjoining BLM land and 640 acres of DNRC lands would not be secured for the public. It is possible that under the No Action alternative that this property will be subdivided and developed for rural homesites, with significant adverse impacts to natural habitats.

##### **3. Alternatives Eliminated from Further Study**

An alternative to purchasing the Circle R River Ranch would be to purchase a conservation easement on the property, rather than acquiring direct-fee ownership. However, at this time, the property owner is not interested in selling a conservation easement, but rather fee title to the entire property. FWP cannot project the intent of future owners. Therefore, the alternative of purchasing a conservation easement was excluded from further study.

## **V. AFFECTED ENVIRONMENT AND POTENTIAL IMPACTS**

### **1. Physical and Biological Environment**

#### **a) Land Resources**

Proposed Action: Under the Proposed Action, land resources within the property would be protected and managed for fish and wildlife habitat values and recreational use. There is substantial value in conserving property of this size with this level of biodiversity; those values will be maintained or improved with acquisition.

No Action: Under the No Action Alternative, it is highly likely that this property will be subdivided and maintained solely for private recreation. The No Action will not address a growing problem of decreasing public access to wildlife and recreation. Development of the property could result in the loss or disturbance of important fish and wildlife resources, including riparian and native grassland habitats.

#### **b) Air Quality**

Proposed Action: Under the Proposed Action, air quality would be maintained or improved by managing vegetation for wildlife habitat. If future land management actions require burning, FWP would abide by state air quality regulations. Opening these currently closed lands to the public may cause a minor increase in dust from road travel to or within the location. Appropriate management of any road system within the site will reduce any increase in dust.

No Action: Under the No Action Alternative, there would be no change in air quality for this location assuming current management continues. No action on this parcel would allow for land uses (road dust, wood burning, etc) that could negatively affects air quality.

#### **c) Water Resources**

Proposed Action: Under the Proposed Action, water resources on or adjacent to this parcel will be maintained or enhanced by protecting riparian areas. There are no proposed changes that would result in increased runoff, changes in drainage patterns, alteration of the river course (including flooding), changes in the quality or quantity of groundwater, and/or changes in water rights or other water uses. The existing 90 acres of cropland will be irrigated with water from the Yellowstone River under existing/associated water rights.

The center-pivot irrigation system will be used to develop high quality habitat for a variety of wildlife species. Nesting cover and food plots may be developed for upland game birds, and forage may be grown for big game animals. Only enough water will be used to maintain these habitats for wildlife use. It is anticipated that this will require less water than that which is currently used for limited commercial agricultural operations.

No Action: Under the No Action Alternative, water resources on this land parcel will continue to be managed for limited commercial agricultural purposes on the developed fields served by the center pivots.

#### **d) Vegetation**

Proposed Action: The Proposed Action would result in an improvement to the diversity, quantity and quality of native vegetation on the land parcel. In the future, FWP management of this property may include the establishment of a rest-rotation grazing system on the uplands to enhance wildlife habitat. Interim management of the upland habitat will be rest (i.e. no livestock grazing). No Plant Species of Concern are known to occupy in this land parcel.

Currently, the property has a limited infestation of leafy spurge along the Yellowstone River (Montana Department of Agriculture Section-Based Weed Distribution, April 2008). If the Proposed Acquisition is approved, FWP would assess the infestation and initiate integrated weed management to manage any noxious weeds currently on the property, and thereby reduce the potential impacts of spreading weeds with increased people-traffic in the area.

Native vegetation will be managed for its wildlife value. Irrigated croplands (90 acres) will be intensively managed to increase food availability and cover for upland game birds and other wildlife. This enhancement may include planting and maintaining of small-grain food plots, dense nesting cover for birds, and forage production for big game. Currently, FWP does not propose to reduce the acreage of agricultural land.

Riparian habitats will be managed by the exclusion of grazing or by periodic light grazing (low stocking rate). There are two sites (section 18 and 22) that are listed in the Natural Heritage Program's Digital Atlas as sites in the Riparian Wetland Research Program.

No Action: Under the No Action Alternative, there is a high likelihood that this property will be subdivided and/or developed into a private hunting preserve. This development would likely result in negative impacts to the native plant communities, including an increase in noxious weeds due to building and road construction and disruption of soils. Development of the area could result in negative impacts to riparian vegetation, including increased run-off, reduced streamside vegetation, and armored riverbanks.

#### **e) Fish & Wildlife Resources:**

Proposed Action: Long-term impacts, under the Proposed Action, should be positive for fish and wildlife resources due to the protection and enhancement of habitat for all native species. Currently, the land parcel provides habitat for at least 200 white-tailed deer, 100 mule deer, up to 50 antelope, many ring-necked pheasant, ducks and geese, sage grouse, sharp-tailed grouse, Hungarian partridge, and as many as 100 wild turkeys. The riparian vegetation community may provide nesting, resting and foraging habitat for up to 134 native species of birds.

A black-tailed prairie dog colony on the property may provide habitat for up to 30 species of vertebrates, including ferruginous hawks, burrowing owls, and mountain plovers. The rocky



outcrops along the river provide unique and finite habitat resources for many species of bats, birds and reptiles, including Townsend's big-eared bat, Northern myotis, milk snake, greater short-horned lizard and common sagebrush lizards. Under the proposed Management Plan (Appendix A), the habitat available for the present species should be maintained and/or improved.

Because FWP management of this property would exclude the development of home sites near or within riparian areas, stream banks would be allowed to erode and build as the Yellowstone River changes course over time. Neighboring lands would not be forced to bear the brunt of erosive forces deflected by armored banks. Fish in the vicinity will benefit from allochthonous food sources available from healthy riparian habitat.

No Action: Due to the likelihood of development of this land parcel, fish and wildlife resources may not be protected under the No Action Alternative.

## **2. Human Environment:**

### **a) Noise and Electrical Effects:**

Proposed Action: The proposed project may result in more people visiting the site, but should have no significant impact on noise levels, or create electrostatic effects that could be detrimental to human health, or interfere with radio or television reception.

No Action: No Action could result in development of the property, which could increase noise and electrical effects in the area. No development by other owners would result in no changes to noise and electricity in the area.

### **b) Land Use:**

Proposed Action: Currently, the Circle R River Ranch is a limited commercial agricultural operation and a private recreational property. Under the Proposed Action, the area will be maintained as a natural area with increased public access. The property would be managed for fish and wildlife habitat in perpetuity, which should have no impact to surrounding land uses or residences. Recreational use of the adjacent BLM and DNRC lands would increase as a result of the Proposed Action providing public access by land.

No Action: Under the No Action Alternative this property may be maintained as a limited commercial agricultural operation and a private recreational property with no access to the natural areas by the public. The natural areas could be lost to residential development, if the area were subdivided.

### **c) Risk and Health Hazards:**

Proposed Action: Under the Proposed Action, pesticides may be used to reduce or eradicate noxious weeds on the property, as per a forthcoming Management Plan. Chemical spraying is part of FWP's integrated management program to manage noxious weeds. Trained, licensed

professionals would conduct any weed treatment and storage/use of chemicals in accordance with Standard Operating Procedures and label instructions. The Proposed Action would not result in the creation of any human health hazards.

No Action: Under the No Action Alternative, current risks or health hazards could change in the future as the property changes ownership.

#### **d) Community Impact, Aesthetics & Recreation:**

Proposed Action: The Proposed Action would eliminate potential residential and industrial development of this natural area, and would provide public recreational access to this property, as well as adjacent BLM and DNRC lands. The creation of a private hunting preserve may be averted through the Proposed Action, and would not hinder population growth in Yellowstone County. Increased public access to recreation may provide additional outdoor recreation-based revenues for businesses in Yellowstone County. The Proposed Action will maintain the beauty of the rimrocks along the Yellowstone River, and the natural areas throughout the property. No actions are proposed in the Management Plan that would detract from the natural beauty of this area.

No Action: There may be a small, short-term economic benefit through housing construction and real estate sales; however, the costs of providing services to rural residential developments typically far exceed this short-term economic return. Changes in ownership may result in changes to the natural areas.

#### **e) Public Services, Taxes & Utilities:**

Proposed Action: There would be no changes or need for increased public services in the property area. FWP would make payments to Yellowstone County for fee title lands in lieu of property taxes that are assessed for this property.

No Action: Under the No Action alternative and future subdivision development, Yellowstone County may receive increased tax revenues in exchange for increased public services to new residences.

#### **f) Cultural & Historical Resources:**

Proposed Action: A cultural resources report will be requested from the State Historic Preservation Office (SHPO) to determine if any known cultural resources exist on the site. Acquisition of this property, and the dispersed recreation that will result are not expected to significantly affect the type of cultural resources generally found in the region. Specific protection actions will be considered once a SHPO report is received. Any facility development will include consideration of surveying, protecting or mitigating cultural resources in the affected location.

No Action: There are no known cultural or historical resources in the area that could be affected by No Action.

## VI. SECONDARY AND CUMULATIVE EFFECTS

The Proposed Action will have no cumulative effects on the physical and human environment. Over the long-term, the acquisition of this property, the increased access to public lands, and the protection of valuable fish and wildlife habitat portend significant positive effects for natural areas and public recreation. The loss of a potential subdivision and private recreation area would not significantly impact Yellowstone County.

## VII. NEED FOR AN ENVIRONMENTAL IMPACT STATEMENT (EIS)

Based on the above assessment, which has identified a very limited number of minor impacts from the Proposed Action, an EIS is not required. An Environmental Assessment (EA) is the appropriate level of review.

### 1) Public Involvement.

The public will be notified in the following manners to comment on this current EA, the proposed action and alternatives:

- Two public notices in each of these papers: *Helena Independent Record*, *Billings Gazette*;
- One statewide FWP press release;
- Direct mailing to adjacent landowners and interested parties;
- Public notice on the Fish, Wildlife & Parks web page: <http://fwp.mt.gov>.

Copies will be available for public review at FWP Region 5 Headquarters.

### 2) Duration of comment period.

The public comment period will extend for twenty-one (21) days following the publication of the legal notice in area newspapers. Written comments will be accepted until 5:00 p.m., May 12, 2008 and can be mailed to the address below:

Circle R River Ranch Acquisition  
Montana Fish, Wildlife & Parks  
Region 5 Headquarters  
2300 Lake Elmo Drive  
Billings, MT 59105

Or email comments to: [rmule'@mt.gov](mailto:rmule'@mt.gov)

## VIII. EA PREPARATION

Ray Mule', FWP Region 5 Wildlife Program Manager, (406) 247-2960 or [rmule'@mt.gov](mailto:rmule'@mt.gov)  
Allison Puchniak Begley, FWP Native Species Biologist, (406) 247-2966, [apuchniak@mt.gov](mailto:apuchniak@mt.gov)

## IX. LITERATURE CITED

Montana's Comprehensive Fish and Wildlife Conservation Strategy, Executive Summary, 2005.  
Montana Fish, Wildlife & Parks, 1420 East Sixth Avenue, Helena, MT 59620.

# PROPOSED CIRCLE R RIVER RANCH ACQUISITION

SOCIOECONOMIC REPORT

APRIL 22, 2008



## **I. INTRODUCTION**

House Bill 526, passed by the 1987 Legislature (MCA 87-1-241 and MCA 87-1-242), authorizes Montana Fish, Wildlife & Parks (FWP) to acquire an interest in land for the purpose of protecting and improving wildlife habitat. These acquisitions can be through fee title, conservation easements, or leasing. In 1989, the Montana Legislature passed House Bill 720 requiring that a socioeconomic assessment be completed when wildlife habitat is acquired using Habitat Montana monies. These assessments evaluate the significant social and economic impacts of the purchase on local governments, employment, schools, and impacts on local businesses.

This socioeconomic evaluation addresses the proposed fee title purchase of the Circle R River Ranch. The report addresses the physical and institutional setting as well as the social and economic impacts associated with the proposed fee title purchase.

## **II. PHYSICAL AND INSTITUTIONAL SETTING**

### **A. Property Description**

The Circle R River Ranch lies just north of Worden, Montana in Yellowstone County. A detailed description of this property is included in the attached Environmental Assessment (EA).

### **B. Habitat and Wildlife Populations**

The ranch presently holds excellent populations of whitetail deer, mule deer, antelope, various waterfowl and upland bird species, small game, and on occasion Rocky Mountain elk. A complete list of species is available in the EA.

### **C. Current Use**

The property is currently used primarily for private recreation with a limited commercial agricultural operation. The ranch has excellent water sources throughout for livestock. In addition, there are approximately 90 or more acres of alfalfa under pivot irrigation that produces over 400 tons of hay for winter livestock feeding.

### **D. Management Alternatives**

- 1) Fee title purchase of the property by FWP
- 2) No purchase

#### **1) MFWP Fee Title Purchase**

The proposed fee title purchase (3,976 deeded acres, 621 DNRC leased acres, and 69 BLM leased acres) would allow this property to be managed primarily as a 4,666-acre



Wildlife Management Area to conserve fish and wildlife resources. It would also provide public access by land to an additional 4,760 acres of BLM (4,120 acres) and DNRC (640 acres) that are currently accessible only by boat via the Yellowstone River. In total, there will be 9,426 acres of publicly accessible contiguous habitat bordering the Yellowstone River. A small Parks development may also be implemented. The property would be purchased through a combination of funding sources, primarily FWP's Habitat Montana program and potentially including the Governor's Access Montana Initiative approved by the 2007 Legislature. FWP would purchase the property from the current landowner or from a non-profit partner such as the Conservation Fund, which has offered assistance with the project. The property is listed for sale at \$6.25 million, and FWP is pursuing an appraisal as the basis for a purchase offer.

*At the time of the release of the Environmental Assessment, the transaction is under negotiation, and the FWP and the landowner have not entered into a purchase agreement. However, FWP is proceeding with this document to provide for public input into the proposal. In the event that negotiations are successfully concluded and the results of this environmental review process support the acquisition, FWP would then be in a position to move forward on the transaction in a timely manner and would not risk losing this habitat conservation opportunity.*

## 2) No Purchase Alternative

This alternative requires some assumptions since use and management of the property will vary depending on what the current owners decide to do with the property if FWP does not purchase the land by fee title, or if someone other than FWP purchases the property.

Subdivision or development of the land is a possibility. Public access may not be allowed depending on who purchases the property. The economic impacts associated with this alternative have not been quantified in this report.

# III. SOCIAL AND ECONOMIC IMPACTS

Section II identified the management alternatives this report addresses. The fee title purchase will provide long-term protection of important wildlife habitat, help maintain the integrity of habitat bordering the Yellowstone River, and provide for public access for hunting and other recreational opportunities. Section III quantifies the social and economic consequences of the fee title purchase from two basic accounting stances: financial and local area impacts.

Financial impacts address the cost of the fee title purchase to FWP and discuss the impacts on tax revenues to local government agencies including school districts.

Expenditure data associated with the use of the property provides information for analyzing the impacts these expenditures may have on local businesses (i.e., income and employment).

### **A. Financial Impacts**

The financial impacts on FWP are related to the purchase price of the fee title purchase and maintenance/management costs. The Circle R River Ranch fee title purchase will cost FWP roughly \$\_\_\_\_\_ (pending appraisal).

Maintenance/management costs related to the purchase are associated with maintaining fences, weed control, and irrigation. These costs will be incorporated into FWP's Wildlife Management Area program budget.

The financial impacts to local governments are the potential changes in tax revenues resulting from fee title purchase. There will be no significant changes in tax revenues to local governments including schools due to the proposed purchase. Taxes on this property were \$2,018 in 2007. Montana Code 87-1-603 states, "the treasurer of each county in which the department owns any land shall describe the land, state the number of acres in each parcel, and request the drawing of a warrant to the county in a sum equal to the amount of taxes which would be payable on county assessment of the property were it taxable to a private citizen."

### **B. Economic Impacts**

The proposed fee title purchase will not significantly affect the agricultural activities on the Circle R River Ranch property. FWP is planning to assess and implement noxious weed management, identify habitat improvement projects that might be needed, establish food plots for big game animals and upland game birds, and establish nesting/brood-rearing cover for upland game birds.

FWP management of the property may eventually include the establishment of a rest-rotation grazing system for livestock. These actions will have a small but positive financial impact on local farm and ranch businesses, especially those local businesses that provide supplies for special projects as needed.

Currently, the Circle R River Ranch provides very limited hunting and fishing opportunities to ensure high quality and success. It is anticipated this acquisition will lead to expanded hunting and fishing opportunities for the public. In addition, other non-hunting/fishing recreational pursuits such as wildlife viewing are expected to provide about 400 days of use. This activity will have a positive economic impact to the local business community of approximately \$16,000 - \$20,000 annually.

## **FINDINGS AND CONCLUSIONS**

The proposed fee title purchase will provide long-term protection for wildlife habitat, maintain the agricultural integrity of the land, ensure public access for hunting/fishing and other recreational/educational opportunities, and help ensure the overall integrity of the Circle R River Ranch property.

The proposed fee title purchase of this property by FWP will not cause a reduction in tax revenues from their current levels to Yellowstone County, Montana.

Agricultural activities will continue on this property. Hunting, fishing, and other recreational activities will likely increase. The financial impacts of this acquisition to local businesses will be neutral to positive in both the short term and long run.